

Testimony presented by Marcia DuFore  
On behalf of North Central Regional Mental  
Re: Raised Bill No. 6610  
March 2, 2009

Distinguished Senators and Representatives,

My name is Marcia DuFore. I live in Suffield and am on staff with the North Central Regional Mental Health Board. I am here to give testimony on the Medicaid spend down.

The spend down which must be met to receive Medicaid coverage is an unwieldy, difficult obstacle for individuals in recovery from mental illness and/or substance abuse, people with physical and/or cognitive disabilities and low-income older people. They face an overwhelmingly difficult time in understanding how to meet their spend down and in accessing, and receiving critical medical services. **We estimate that there are about 10,000 people at any given time who are in spend down status. Of those, only about 3,000 meet their spend down and become active for Medicaid.**

In December 2008 our agency conducted a survey with individuals across the state who suffer from a variety of chronic illnesses, disabilities, or are older adults with low-income. Many other agencies including Advocacy Unlimited, the Connecticut Association of Non-Profits, NAMI, the Mental Health and Aging Coalition, and the five Independent Living Centers also identified individuals affected by Medicaid spend down and helped them complete our survey. 105 individuals responded to the survey. I'd like to share just a few of the stories that people told us who completed that survey.

We heard about their **difficulties** in meeting a Medicaid spend down on a limited income and still having enough money left over for their living expenses. One person said, "What spend down means to me is that my income is \$952 per month. My rent is \$650 per month. I receive no help out of the \$300 I have left to pay for my food, or utilities and I am told that I am on a spend down because I have excess income. That's what spend down means to me!" One person, whose income is \$1113 per month explained that her \$2730 (over 6 months) spend down meant that she had to spend 41% of her income on medical expenses before she could qualify for Medicaid coverage. Another whose income was \$852 per month said, "I have to pay medical bills that are not covered during the spend down period. I can't go to the dentist or certain doctors because I have no insurance."

We heard from people about the many **difficulties** they face in obtaining medical care when they are on spend down. These include physicians who will not treat them, medical taxis that will not drive them to their appointments,

visiting nurse and homemaker services that will not provide care or administer medications. For example, this is one person's story: "Many doctor's offices expect payment up front which I don't have, so they refuse me care. I was a patient when my doctor's office first opened up and remained faithful to their practice even when they became a huge conglomeration. When I went on spend down they expected me to pay up front for all services, which I couldn't do, so they refused to see me and eventually let me go as a patient."

Another told us, "I have to pay the 20% that Medicare does not cover and when that happens I have less money for utilities and food. Also, getting dental work done is harder because I haven't met my spend down, and I have to pay for a large part of my home care because I can't meet my spend down." We're talking about a person who makes about \$10,000 per year in Social Security benefits. Think about trying to meet all of these expenses out-of-pocket on \$10,000 per year. And this is because everything you earn over \$500 per month is classified "excess income" when it comes to determining eligibility for Medicaid benefits.

Another person told us, "I lost my nursing services." Another, "I have not seen my doctor. I can't afford it." Another, "I hardly ever meet my spend down and I cannot get medical transportation." Some have given up hope, "I will never meet an \$3000 (over 6 months) spend down."

Although a large proportion of individuals receive Social Security benefits and therefore have Medicare coverage, they have difficulty meeting the cumulative co-pay amounts for services covered by Medicare due to their low income, and as a result, lose those services. Also some of the services they need are not covered by Medicare, i.e. the dental services, medical taxis, homemaker services described above.

We also heard from people about the hardships of going without needed medications. 31% of the people we surveyed indicated that they have had to miss their medication due to a spend down issue and 28% reported that they had been denied medication due to a spend down issue. This seems to occur primarily when 1) they cannot afford the co-pay for the prescription, 2) the type of medication or a name brand medication is medically necessary but is outside the formulary covered by Medicare Part D, or 3) the individuals' prescriptions costs have maxed out. Here is one person's story: "When I am on spend down I have to rely on my doctor to give me samples for my medication. My counselor and clinician work arduously to get cheaper medication that will have the same results and will work for my diagnosis. I rely on samples from my psychiatrist as well as patient assistance from major medication suppliers. I am always in jeopardy of missing doses of medications. At one point I had to stop taking Clozaril because I couldn't afford it. After discontinuing the medication, I decompensated and had to be hospitalized."

Another person said, "You cannot pay \$700 a month for meds out of the \$60 or \$70 you have left after your bills are paid." Another, "I had to stop taking my medication - couldn't afford it." Another, "Yes, I missed medication when the doctor's office was out of samples." Another, "Yes, I have missed medication - almost every 6 months, which leads to re-hospitalization."

Unfortunately, in Connecticut low-income elders and people with serious mental and physical disabilities must be much more impoverished than other eligible groups to qualify for Medicaid. Their income limit is 60-80% of the federal poverty level as opposed to 185% for parents and caregivers of children on the HUSKY program. We must raise the income level for these populations in order to restore fairness in our treatment of these groups of people and reduce the number of individuals who have to suffer the hardships of spend-downs, disrupted medical care, and disrupted lives.

I hope that those of you who have heard these stories will consider favorably legislation that is being introduced to raise the income limit for Medicaid eligibility so that it is equitable with other Medicaid recipients. Please support equity in Medicaid eligibility and increase the income limit for the aged, blind, and disabled.

For more info about our survey please contact Marcia DuFore, North Central Regional Mental Health Board at (860) 966-8166 or [mdufore@ncrmhb.org](mailto:mdufore@ncrmhb.org).

Thank you.